

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES**

In re Application of	:	Customer Number: 46320
	:	
Imaddin ALBAZZ, et al.	:	Confirmation Number: 3924
	:	
Application No.: 09/972,403	:	Group Art Unit: 3689
	:	
Filed: October 5, 2001	:	Examiner: H. Riviere
	:	
For: SYSTEM AND METHOD FOR WORKFLOW CONTROL OF CONTRACTUAL ACTIVITIES	:	

**REPLY BRIEF**

Mail Stop Appeal Brief - Patents  
Commissioner For Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Sir:

This Reply Brief is submitted under 37 C.F.R. § 41.41 in response to the EXAMINER'S ANSWER dated October 12, 2010.

The Examiner's response to Appellants' arguments submitted in the Third Appeal Brief of August 2, 2010, raises additional issues and underscores the factual and legal shortcomings in the Examiner's rejection. In response, Appellants rely upon the arguments presented in the Third Appeal Brief, and the arguments set forth below.

**REMARKS**

**PROSECUTION HISTORY**

Appellants have compared the statement of the rejection found on pages 4-8 of the Examiner's Answer with the statement of the rejection found on pages 7-13 of the appealed Fifth Office Action. Upon making this comparison, Appellants have been unable to discover any substantive differences between the respective statements of the rejection. Appellants proceed on the basis that the Examiner's sole response to the arguments presented in Third Appeal is found on pages 8-12 Examiner's Answer in the section entitled "Response to Arguments."

**NON-COMPLIANT EXAMINER'S ANSWER**

On page 5 of the Third Appeal Brief, Appellants pointed out where the Examiner's Answer is required to include particular content discussed in M.P.E.P. § 1207.02, yet the Examiner has completely ignored this requirement in the Examiner's Answer. As noted throughout the prosecution of this application and in the Third Appeal Brief, the Examiner has failed to properly establish the facts underlying the Examiner's analysis. Appellants' position is that these omissions in the Examiner's *prima facie* analysis are not simply procedural matters but are substantive issues that involve the sufficiency of the Examiner's *prima facie* case. Moreover, these omissions are correctable by the Examiner, and the correction of these omissions would help both Appellants and the Honorable Board gain a better understanding of the alleged findings of facts and analysis employed by the Examiner in rejecting the claims. Thus, Appellants

respectfully request that the Honorable Board remand the present application to the Examiner to address these omissions.<sup>1</sup>

#### PRINCIPLES OF LAW

##### Examiner's Burden

The Examiner has the initial burden to set forth the basis for any rejection so as to put Appellants on notice of the reasons why Appellants are not entitled to a patent on the claim scope that Appellants seeks – the so-called "*prima facie* case." In re Oetiker, 977 F.2d 1443, 1445 (Fed. Cir. 1992); In re Piasecki, 745 F.2d 1468, 1472 (Fed. Cir. 1984). Additionally, the "[t]he examiner's action will be complete as to all matters," 37 C.F.R. § 1.104(b), and "[t]he pertinence of each reference, if not apparent, must be clearly explained." 37 C.F.R. § 1.104(c). Reference is also made to 37 C.F.R. § 1.2, which states "[t]he action of the Patent and Trademark Office will be based exclusively on the written record in the Office."

Referring generally to the "Examination Guidelines for Determining Obviousness Under 35 U.S.C. 103 in View of the Supreme Court Decision in *KSR International Co. v. Teleflex Inc.*," 72 Fed. Reg. 57,526 (2007) (hereinafter the Examination Guidelines for Determining

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<sup>1</sup> The Board has persistently declined to uphold an Examiner because of omissions in the Examiner's half of the record. *E.g.*, Ex parte Daleiden, Appeal 2007-1003 (Mar. 14, 2007) (remanding because examiner failed to respond to arguments in the Appeal Brief); Ex parte Rozzi, 63 USPQ2d 1196, 1200-03 (BPAI 2002) (remanding without decision because of a host of examiner omissions and procedural errors); Ex parte Gambogi, 62 USPQ2d 1209, 1212 (BPAI 2001) ("We decline to tell an examiner precisely how to set out a rejection."); Ex parte Jones, 62 USPQ2d 1206, 1208 (BPAI 2001) (refusing to adjudicate an issue that the examiner has not developed); Ex parte Schricker, 56 USPQ2d 1723, 1725 (BPAI 2000) ("The examiner has left applicant and the board to guess as to the basis of the rejection ... We are not good at guessing; hence, we decline to guess."); Ex parte Bracken, 54 USPQ2d 1110, 1112-13 (BPAI 1999) (noting that the appeal is "not ripe" because of omissions and defects in the examiner's analysis).

Obviousness), and specifically to the paragraph entitled "Office Personnel as Factfinders" on page 57,527 of the Examination Guidelines for Determining Obviousness, the following was stated:

Office personnel fulfill the critical role of factfinder when resolving the *Graham* inquiries. It must be remembered that while the ultimate determination of obviousness is a legal conclusion, the underlying *Graham* inquiries are factual. When making an obviousness rejection, Office personnel must therefore ensure that the written record includes findings of fact concerning the state of the art and the teachings of the references applied. In certain circumstances, it may also be important to include explicit findings as to how a person of ordinary skill would have understood prior art teachings, or what a person of ordinary skill would have known or could have done. Factual findings made by Office personnel are the necessary underpinnings to establish obviousness.

Appellants' Burden

If the Examiner does not produce a *prima facie* case of unpatentability, then the rejection cannot be maintained, and Appellants are not obligated to respond. See *In re Oetiker*, *supra* ("If examination at the initial stage does not produce a *prima facie* case of unpatentability, then without more the applicant is entitled to grant of the patent"). Only after a *prima facie* case of unpatentability does the burden shift to Appellants to rebut the *prima facie* case. See *In re Kahn*, 441 F.3d 977, 985-86 (Fed. Cir. 2006) ("[o]n appeal to the Board, an applicant can overcome a rejection by showing insufficient evidence of *prima facie* obviousness or by rebutting the *prima facie* case with evidence of secondary indicia of nonobviousness") (quoting *In re Rouffet*, 149 F.3d 1350, 1355 (Fed. Cir. 1998)).

Standard of Review

Decisions of the Patent Office are reviewed in accordance with the standards of the Administrative Procedure Act. See Dickinson v. Zurko, 527 U.S. 150, 165 (1999) (applying the Administrative Procedure Act, 5 U.S.C. § 706, to appeals of PTO rulings). Thus, the Patent Office's factual findings are reviewed to determine whether they are unsupported by substantial evidence. See In re Gartside, 203 F.3d 1305, 1312 (Fed. Cir. 2000). Substantial evidence means "more than a mere scintilla. It means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion." Richardson v. Perales, 402 U.S. 389, 401 (1971). Anticipation under 35 U.S.C. § 102 is a question of fact, and the findings of fact underlying the conclusion of anticipation are reviewed for substantial evidence. In re Hyatt, 211 F.3d 1367, 1371-72, 54 USPQ2d 1664, 1667 (Fed. Cir. 2000). The underlying findings of facts supporting the legal conclusion of obviousness are also reviewed for substantial evidence. In re Gartside, 203 F.3d at 1316.

In the Decision of Ex parte Frye, (Appeal No. 2009-006013) (Precedential), while referring to a rejection under 35 U.S.C. § 103, the Honorable Board stated:

The panel then reviews the obviousness rejection for error based upon the issues identified by appellant, and in light of the arguments and evidence produced thereon. See Oetiker, 977 F.2d at 1445 ("In reviewing the examiner's decision on appeal, the Board must necessarily weigh all of the evidence and argument.") (emphasis added); *see also* 37 C.F.R. § 41.37(c)(1)(vii) (appeal brief must include "the contentions of appellant with respect to each ground of rejection presented for review in paragraph (c)(1)(vi) of this section, and the basis therefor, with citations of the statutes, regulations, authorities, and parts of the

record relied on"). Specifically, the Board reviews the particular finding(s) contested by an appellant anew in light of all the evidence and argument on that issue.

Therefore, a complete *de novo* review is to be performed on all issues that are raised by Appellants without deference to the positions taken by the Examiner.

With regard to the burden placed on the Honorable Board in analyzing the rejections, the Federal Circuit held the following in Gechter v. Davidson, 1167 F.3d 1454, 1460 (Fed. Cir. 1997):

In sum, we hold that the Board is required to set forth in its opinions specific findings of fact and conclusions of law adequate to form a basis for our review. In particular, we expect that the Board's anticipation analysis be conducted on a limitation by limitation basis, with specific fact findings for each contested limitation and satisfactory explanations for such findings. [FN3] Claim construction must also be explicit, at least as to any construction disputed by parties to the interference (or an applicant or patentee in an ex parte proceeding). [FN3] While not directly presented here, obviousness determinations, when appropriate, similarly must rest on fact findings, adequately explained, for each of the relevant obviousness factors in the Supreme Court's decision in Graham.

Obviousness

In Graham v. John Deere Co., 383 U.S. 1, 148 USPQ 459 (1966), the Supreme Court set forth the factual inquiries that are to be applied when establishing a background for determining obviousness under 35 U.S.C. 103. These factual inquiries are summarized as follows:

- (A) "the scope and content of the prior art are to be determined";  
(B) "the differences between the prior art and the claims at issue are to be ascertained";  
(C) "the level of ordinary skill in the pertinent art [is to be] resolved"; and  
(D) "indicia of nonobviousness" are to be evaluated

However, in order to make a proper comparison between the claimed invention and the prior art, the language of the claims must first be properly construed. See, e.g., Gechter v. Davidson, 116 F.3d at 1460 (requiring explicit claim construction as to any terms in dispute; In re Paulsen, 30 F.3d 1475, 1479 (Fed. Cir. 1994); Panduit Corp. v. Dennison Mfg. Co., 810 F.2d 1561, 1567-68 (Fed. Cir. 1987) (In making a patentability determination, analysis must begin with the question, "what is the invention claimed?" since "[c]laim interpretation, ... will normally control the remainder of the decisional process").

As stated by the Supreme Court: "rejections on obviousness grounds cannot be sustained by merely conclusory statements; instead there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." KSR Int'l Co. v. Teleflex Inc., 127 S. Ct. 1727, 1741 (2007) (quoting In re Kahn, 441 F.3d 977, 988 (Fed. Cir. 2006)). As also stated by the Supreme Court, "a patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art."

REJECTION OF CLAIM 9 UNDER 35 U.S.C. § 103

New grounds of rejection

The Examiner introduced the rejection of claim 9 under 35 U.S.C. § 103 based upon Conklin and Shirley in the Fourth Office Action, and Appellants responded, in part, to this rejection on page 14 of the Amendment November 17, 2009, as follows:

Upon reviewing the Examiner's analysis on page 12 of the Fourth Office Action, the Examiner appears to be employing rationale (G). However, the Examiner's analysis is not entirely clear as to what rationale the Examiner is employing. Appellants, therefore, request that the Examiner clearly identify the rationale, as described in the Examination Guidelines for Determining Obviousness, being employed by the Examiner in rejecting the claims under 35 U.S.C. § 103. (emphasis in original)

Appellants' request that the Examiner clearly identify the rationale be employed went unanswered by the Examiner in the appealed Fifth Office Action, and Appellants repeated the above-reproduced arguments on page 13 of the Third Appeal Brief. Referring to page 8 of the Examiner's Answer, the Examiner asserted the following:

**The 35 USC 103(a) rejection was applied using Rationale A**

Applicant argues inaccurately that rationale G or the teaching, suggestion and motivation test was applied in the 35 USC 103 analysis. The KSR Intl. Co. v. Teleflex Inc., 82 USPQ2d 1385 (2007) decision notes that other rationales besides the teaching, suggestion and motivation test to use in determining whether a combination of references is obvious. According to MPEP Section 2141, "If the search of the prior art and the resolution of the Graham factual inquiries reveal that an obviousness rejection may be made using the familiar teaching-suggestion-motivation (TSM) rationale, then such a rejection should be made. Although the Supreme Court in KSR cautioned against an overly rigid application of TSM, it also recognized that TSM was one of a number of valid rationales that could be used to determine obviousness." Accordingly, MPEP Section 2141 notes the Rationales A to G to be applied to support a conclusion of obviousness. (emphasis in original)

Despite Appellants twice requesting that the Examiner clearly identify the rationale being employed in the Examiner's rejection, the Examiner waited until the Examiner's Answer to provide this rationale. In this instance, the Examiner has advanced a rationale new to the proceedings, and Appellants must be afforded an opportunity respond to this new rationale. See In re DeBlauwe, 736 F.2d 699, 706 n.9 (Fed. Cir. 1984).

Referring to the first two full paragraphs on page 9 of the Examiner's Answer, the Examiner elaborated as follows:

As a result, Examiner utilized the rationale A "Combining prior art elements according to known methods to yield predictable results." The combination of the two references does present a predictable result.

It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the Conklin and Shirley references. Both references teach the process involved with creating a legally binding agreement. The Conkling reference teaches the negotiation process between buyers and sellers. The system allows them to negotiate terms like payment options. While Figure 1a of Conklin teaches that the system uses computers. Shirley teaches that the provisions of the agreement during negotiations are chosen by and stored in the authoring unit.

Notably, this analysis is different than the analysis presented by the Examiner on page 12 of the Fourth Office Action, on page 9 of the Fifth Office Action, and on page 6 of the Examiner's Answer.

Referring to rationale (A), entitled "Combining Prior Art Elements According to Known Methods to Yield Predictable Results," as discussed on page 57,529 of the Examination Guidelines for Determining Obviousness, the following findings of fact must be articulated by the Examiner:

(1) a finding that the prior art included each element claimed, although not necessarily in a single prior art reference, with the only difference between the claimed invention and the prior art being the lack of actual combination of the elements in a single prior art reference;

(2) a finding that one of ordinary skill in the art could have combined the elements as claimed by known methods, and that in combination, each element merely would have performed the same function as it did separately;

(3) a finding that one of ordinary skill in the art would have recognized that the results of the combination were predictable; and

(4) whatever additional findings based on the Graham factual inquiries may be necessary, in view of the facts of the case under consideration, to explain a conclusion of obviousness.

Referring to finding (1), the Examiner has failed present substantial evidence to support a finding of fact that the prior art includes each element with the only difference between the claimed invention and the prior art being the lack of actual combination of the elements in a single prior art reference. For example, as previously argued during prosecution, the Examiner has failed to present substantial evidence to support findings that Conklin teaches all of the limitations for which the Examiner is relying upon Conklin to teach.

Referring to finding (2), the Examiner has failed to explain how one of ordinary skill in the art would have combined the elements or the known method that would be employed to combine these elements. Moreover, the Examiner has failed to present findings of fact, supported by substantial evidence, that each element would have performed the same function as it did separately.

Referring to finding (3), the Examiner has failed to present any findings of facts, supported by substantial evidence, that one of ordinary skill in the art would have (i) known the results of the combination and (ii) recognized that the results of the combination were predictable.

The major issue regarding the Examiner's shift in analysis is not whether or not the Examiner could have made the findings discussed above. Instead, the major issues regarding this

particular shift in analysis is the Examiner's continued failure to present findings of fact that are supported by substantial evidence. This is a failure to establish a *prima facie* case. Appellants cannot review the Examiner's analysis and confirm the Examiner's alleged findings when the Examiner does not make these findings available to Appellants for review. As noted throughout the prosecution of the present application, the Examiner has oftentimes left Appellants speculating as to the Examiner's analysis.

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Referring to Examiner's assertions labeled "C1" on page 9 of the Examiner's Answer, the Examiner is correct in asserting that Appellant did not discuss the findings of fact that the Examiner made with regard to the secondary reference of Shirley. Referring to the Examiner's assertions labeled "C2" on pages 9 and 10 of the Examiner's Answer, these assertions are identical to the Examiner's assertions found on pages 8 and 9 of the Examiner's Answer and have already been addressed above.

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Referring to page 11 of the Examiner's Answer, the Examiner makes the following observations:

Business rules are not specifically defined in the specification  
For the most part the specification is vague as to what constitutes a business rule.

Appellants note that after 5 Office Actions and 3 Appeal Briefs being filed that is untimely and disingenuous for the Examiner to raise, as an issue, the meaning of the phrase "business rules" when the Examiner had more than ample opportunity over the last 3½ years to raise and address this issue.

The claimed "business rules" are discussed throughout Appellants' specification. For example, reference is made to page 13, lines 10-12, which states:

The BRB is compilation of business rules which is preferably a centrally-stored codification of all business policies, industry practices, and the scope and characteristics of the selling organization business offerings.

Therefore, although the term "business rules" is broad, this term is not indefinite (i.e., vague), as alleged by the Examiner.

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Referring to the paragraph spanning pages 11 and 12 of the Examiner's Answer, the Examiner asserted the following:

Applicant in the arguments attempts rather after-the-fact to present more business rules detail that was not presented in the specification by noting what the Conklin reference does not disclose. Applicant argues on page 15, "the detailed rules for ordering' are not available to be selected for including in the contract." However, in the specification the rules noted are merely mentioned and whether or not they are just used in the negotiations and/or the contract is not specified. Therefore, there remains no detail in the specification or the arguments to show that business rules could not also perform as terms and conditions.

The Examiner is apparently attempting to address Appellants' arguments on page 14, line 20 through page 18, line 2 of the Third Appeal Brief. To be clear, these arguments are directed to raising the issue as to whether the Examiner has presented proper findings of fact, supported by substantial evidence, as to the proper determination of the scope and content of Conklin. Notably, the Examiner does not address Conklin in the Examiner's remarks. Instead, the Examiner refers to how Appellants have characterized the claimed limitations without explaining how Conklin teaches these limitations.

For example, with regard to the claimed "at least one compilation of business rules comprising a plurality of rules available to be selected for inclusion in the contract" or "at least one terms and conditions set containing parameters corresponding to selected rules from the compilation of business rules," Appellants argued<sup>2</sup> that the Examiner must establish that Conklin teaches:

- (i) a "compilation of business rules;"
- (ii) "business rules comprising a plurality of rules available to be selected for inclusion in the contract;"
- (iii) "at least one terms and condition set;"
- (iv) "selected rules;" and
- (v) the "conditions set containing parameters corresponding to selected rules from the compilation of business rules."

To address these arguments, the Examiner should have specifically identified these limitations at issue and identified specific teachings within Conklin that allegedly teach these limitations. Moreover, where there is a question as to how these limitations are disclosed by Conklin (e.g., different language is used by Conklin that what is claimed), the Examiner should have clearly explained why the Examiner believed these limitations are disclosed by Conklin. The Examiner, however, has failed to present such an analysis. Instead, the Examiner focuses on how the phrase "business rules" should be interpreted without addressing the teachings of Conklin.

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<sup>2</sup> See page 15, lines 4-11 of the Third Appeal Brief.

Referring to the first full paragraph on page 12 of the Examiner's Answer, the Examiner asserted the following:

Applicant argues that the negotiations and results data stored in the Conklin system should be the same data discussed in the claims and presented on page 15. However the list presented on claim 15 cannot be substituted at the point in the prosecutorial process for claimed limitations. The claims have not been amended to teach the 5 points noted. Furthermore, Applicant's independent claim 9, for example to "generating links between the compilation of business rules" and not just "a compilation of business rules". (emphasis added)

Apparently not recognized by the Examiner, the "list presented on [page]<sup>3</sup> 15" are directly derived from the claimed limitations. The "claims have not to been amended to [recite]<sup>4</sup> the 5 points noted" because these limitations are already within the claims. For the Examiner to ignore these limitations because they are allegedly not being claimed reflects a failure, by the Examiner, to appreciate what has been claimed.

The Examiner makes a final point of comparing "generating links between the compilation of business rules" and "a compilation of business rules." Although accurately characterizing the claimed limitations in this instance, the Examiner's point is not relevant to the issue raised by the Examiner. The applied prior art still cannot teach "generating links between the compilation of business rules" when the applied prior art does not teach "the compilations of business rules." Thus, Appellants' arguments are still relevant, and the Examiner has failed to fully address these arguments.

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<sup>3</sup> Appellants presume that the Examiner was referring to page 15 since the Examiner's previous statement referred to page 15. Also, claim 15 was not discussed on page 15, and claim 15 does not include a "list." Finally, "the 5 points noted" also refer to the list found on page 15.

<sup>4</sup> Claims do not "teach" limitations – claims "recite" limitations.

Referring to page 18, line 5 through page 19, line 30 of the Third Appeal Brief, Appellants presented arguments regarding the claimed "interlocking the compilation of business rules, the terms and conditions set and the links to lock the contract." Referring to the last full paragraph on page 12 of the Examiner's Answer, the Examiner asserted the following:

The term "interlocking" is also addressed in Applicant's arguments. The specification on page 26 states in one of the two places interlocking is discussed "When final revisions of all contract elements are approved by negotiating parties, all elements are interlocked by the seller contract administration staff to prevent further changes to the contract." The Conklin reference teaches the negotiation process and in column 24 notes that the final contract is noted as complete. When the agreement in finalized the terms are locked. Any other special notation of interlocking is not discussed in the specification and therefore not presented in the claims but argued can only be considered new matter. The Conklin reference is adequate because it teaches the limitations presented and as such was correctly used to reject the current application. (emphasis added)

The Examiner asserted "[a]ny other special notation of interlocking is not discussed in the specification and therefore not presented in the claims but argued can only be considered new matter." However, the Examiner fails to identify what the Examiner considers to be the "other special notion of interlocking." Appellants included, within the Third Appeal Brief, arguments regarding a proper claim construction of the claim terms at issue. The Examiner has not presented any specific arguments as to why Appellants' arguments are incorrect. Disagreeing with Appellants' arguments (which is what the Examiner has done) is not the same as explaining why the Examiner believes Appellants' arguments are incorrect.

The Examiner's other assertion of "[w]hen the agreement is finalized the terms are locked" is unsupported by substantial evidence. Appellants have reviewed the Examiner's ambiguous reference to "column 24" and have found no mention that the claimed "compilation of business rules, the terms and conditions set and the links" are locked. Appellants have found no mention of any locking with regard to the contract described by Conklin.

Therefore, the Examiner has committed reversible error by improperly determining the scope and content of the prior art, which is one of the Graham factual inquiries. Additionally, since the Examiner has failed to recognize that Conklin does not teach all the limitations for which the Examiner is relying upon Conklin to teach, the Examiner has also committed reversible error by failing to properly ascertain the differences between the applied prior art and the claims at issue, which is another one of the Graham factual inquiries. Thus, the Examiner has not set forth a prima facie case of obviousness supported by substantial evidence.

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REJECTION OF CLAIM 13 UNDER 35 U.S.C. § 103

Appellants presented separate arguments regarding claim 13 on page 20, lines 3-19 of the Third Appeal Brief. Upon reviewing the Examiner's Answer, Appellants have been unable to identify any response, from the Examiner, to these arguments.

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REJECTION OF CLAIM 14 UNDER 35 U.S.C. § 103

Appellants presented separate arguments regarding claim 14 on page 20, line 22 through page 21, line 5 of the Third Appeal Brief. Upon reviewing the Examiner's Answer, Appellants have been unable to identify any response, from the Examiner, to these arguments.

REJECTION OF CLAIM 15 UNDER 35 U.S.C. § 103

Appellants presented separate arguments regarding claim 15 on page 21, lines 8-22 of the Third Appeal Brief. Upon reviewing the Examiner's Answer, Appellants have been unable to identify any response, from the Examiner, to these arguments.

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CONCLUSION

As discussed above, much of the Examiner's analysis is not directed to explaining how the applied prior art teaches the limitations at issue. Instead, in almost all instances, the Examiner ducks the issues raised by Appellants on appeal or makes general assertions about the applied prior art that are unsupported by substantial evidence.

For the reasons set forth in the Third Appeal Brief, and for those set forth herein, Appellants respectfully solicit the Honorable Board to reverse the Examiner's rejections under 35 U.S.C. § 103.

To the extent necessary, a petition for an extension of time under 37 C.F.R. § 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 09-0461, and please credit any excess fees to such deposit account.

Date: December 13, 2010

Respectfully submitted,

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